

complaint

Miss B's unhappy that Premium Credit Limited ('Premium Credit') sent her a credit agreement that didn't include details of the dates or amounts of payments. She wants a declaration that the credit agreement was unlawful.

background

Miss B chose to pay monthly for her premium when she took out buildings and contents insurance.

Premium Credit wrote to her on 21 July 2014 introducing themselves as the finance provider for her monthly premium payments. This letter included a full payment schedule and direct debit confirmation. These showed Miss B was scheduled to make 11 monthly payments of £11.95 each from 19 August 2014 to 19 June 2015. It also included the 'direct debit guarantee'. This included that if there are any changes to the amount, date or frequency of her direct debit, Premium Credit would tell her five working days before her account was debited.

On 29 July 2014 Premium Credit sent Miss B a copy of the credit agreement to sign. The covering letter said "on or shortly after 19th of each month" £11.95 would be taken from her account under the credit agreement. But the agreement itself didn't contain any details of the dates or amounts of repayments.

Miss B didn't sign the agreement, so it was never completed. Premium Credit has cancelled the £10 charge for non/late return of the signed agreement. So Miss B's not suffered any financial loss.

Our adjudicator didn't uphold Miss B's complaint. He didn't think the credit agreement was unlawful. Miss B disagrees. She thinks it's open to fraud and exploitation.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so I've decided not to uphold Miss B's complaint. I'll now explain why.

Unfortunately Miss B has chosen to read the credit agreement in isolation. It should be read in conjunction with the direct debit confirmation, her buildings and contents insurance contract and the covering letters and other documents sent to her by Premium Credit. These included:

- Pre Contractual Information
- Standard European Consumer Credit Information
- Financial Particulars (Schedule A of the agreement)
- Charges (Schedule B of the agreement)
- Terms & Conditions Booklet (Schedules C&D of the agreement)

All these taken together set out what Premium Credit can take from Miss B's account. And clearly tell her how much it will take and when.

So I'm satisfied that Premium Credit gave Miss B the information it was required to. And importantly gave her enough information for her to decide if she wanted to take out the agreement. And, of course, Miss B decided not to take out the agreement.

I don't think Premium Credit did anything wrong in relation to the information it gave Miss B when offering her the credit agreement. So I don't think Miss B's complaint should succeed.

my final decision

For these reasons, I've decided not to uphold Miss B's complaint against Premium Credit Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 10 December 2015.

Mike Foster
ombudsman